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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

LEHMAN BROTHERS HOLDINGS INC., *et al.*,

Debtors.

Case No. 08-13555 (JMP)
(Jointly Administered)

**STATEMENT OF THE SIPA TRUSTEE REGARDING (1) DEBTORS' MOTION,
PURSUANT TO SECTIONS 105 AND 363 OF THE BANKRUPTCY CODE, FOR AN
ORDER APPROVING THE PURCHASE OF NOTES ISSUED BY PINE CCS, LTD.
FROM BARCLAYS BANK PLC AND THE TERMINATION OF THE PINE
SECURITIZATION AND (2) MOTION OF LEHMAN COMMERCIAL PAPER INC.
PURSUANT TO SECTION 363 OF THE BANKRUPTCY CODE FOR AUTHORITY TO
CONSENT TO ITS NON-DEBTOR AFFILIATE LEHMAN ALI INC. (I) ENTERING
INTO A COMMITMENT LETTER WITH INNKEEPERS USA TRUST; (II)
SUPPORTING THE CHAPTER 11 PLAN OF CERTAIN AFFILIATES OF
INNKEEPERS USA TRUST; AND (III) PARTICIPATING IN AUCTION FOR
CERTAIN OF THE ASSETS OR EQUITY OF INNKEEPERS USA TRUST**

James W. Giddens (the "Trustee"), as Trustee for the SIPA liquidation of Lehman Brothers Inc. ("LBI"), by and through his undersigned counsel, respectfully submits this statement regarding (1) the Debtors' Motion Pursuant to Sections 105 and 363 of the Bankruptcy Code For Approval of the Purchase of Notes Issued by Pine CCS, Ltd. From Barclays Bank PLC and the Termination of the Pine Securitization (Docket No. 15283) (the "Pine Motion") and (2)

Motion of Lehman Brothers Commercial Paper, Inc. (“LCPI”) Pursuant to Section 363 of the Bankruptcy Code for Authority to Consent to its Non-Debtor Affiliate Lehman ALI Inc. (I) Entering Into Commitment Letter with Innkeepers USA Trust; (II) Supporting the Chapter 11 Plan of Certain Affiliates of Innkeepers USA Trust; and (III) Participating in the Auction for Certain of the Assets or Equity of Innkeepers USA Trust (Docket No. 15259) (the “Innkeepers Motion,”).¹

I. STATEMENT WITH RESPECT OT THE PINE MOTION

1. The Trustee has reviewed various documents relating to the proposed transaction and the structure of the Notes LCPI seeks to acquire. The Pine Motion and the materials reviewed by the Trustee do not reflect any existing ownership interest of LBI in the assets that LCPI seeks to acquire pursuant to the Pine Motion, and on that basis the Trustee does not object to approval.

II. STATEMENT WITH RESPECT TO THE INNKEEPERS MOTION

2. The Trustee does not object to approval of the Innkeepers Motion as the Debtors have reserved LBI’s rights regarding matters contemplated therein in the further revised proposed order filed with the Court.

1. Capitalized terms not defined herein shall have the meaning ascribed to them in the Pine and Innkeepers Motions, respectively.

Dated: New York, New York
April 12, 2011

Respectfully submitted,

HUGHES HUBBARD & REED LLP

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